(c) Non-availability of PAN or GIR No. does not have the effect of stopping the transaction from taking place. A person not having either PAN or GIR No. has just to file a simple declaration and that too only if he is making payment in cash or otherwise than by crossed cheque or crossed bank draft. Therefore the provision is not at all likely to have any negative impact on the economic activity.

Income Tax Arrears

972. SHRI K.M. SAIFULLAH:
SHRI SOLIPETA RAMA CHANDRA REDDY:

Will the Minister of FINANCE be please state:

(a) the expected total income tax arrears in the country during the current financial year and number of cases pending in the court;

(b) the measures taken to reduce the number of pending litigations; and

(c) the action proposed to expedite the realisation of these arrears?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) The total expected income tax arrears during the current financial year cannot be estimated as such. However, the total arrear demand of Income Tax and Corporate Tax as on 31.3.98 is Rs. 45073.39 crores and the total outstanding demand as on 30th September, 98 is Rs. 37796.29 crores. As on 31.3.98, the number of cases pending in High Courts and Supreme Court are 54396 and 7788 respectively.

(b) The measures taken to reduce the number of pending litigations include bunching of cases in Supreme Court and High Courts for early hearing, meeting with concerned Chief Justices for expediting the disposal of cases, the Kar Vivad Samadhan Scheme etc.

(c) Apart from normal statutory process of recovery, the Department is constantly monitoring the progress in Dossier cases involving high demands. A Task Force has been constituted to strictly monitor revenue collection. Computerisation of Arrear Demand Registers will also boost up collection in respect of smaller demands. It is expected that the total outstanding arrear demand as on 31.3.99 will be lower than the outstanding arrear demand on 31.3.98 because of 'Kar Vivad Samadhan Scheme' and recovery measures being taken all over the country.

Minority foreign equity stake in insurance sector

973. SHRI JANARDHANA POOJARI: Will the Minister of FINANCE be pleassed to state:

(a) whether Government have taken any decision to grant permission for minority foreign equity stake in insurance sector; if so, the details thereof; and

(b) if not, the reason for the delay?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN): (a) and (b) The Finance Minister in his 1998-99 Budget Speech announced that insurance sector will be opened to competition from private Indian companies. Such Indian companies will include joint-ventures also. Necessary legislation in the matter will be introduced shortly.

Extents of NPAS and Losses for Public Sector Banks

974. SHRI NARENDRA MOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether any study has been made to find out the extent of Non-performing Assets (NPAs) and losses of public sector banks;

(b) if so, how much is the amount involved bank-wise and what is the per-

centage of such NPAs with the loans granted by each bank; and

(c) what action has been taken so far to recover such NPAs/losses and with what results so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN): (a) Government had constituted a Committee to look into the problem of non-performing assets (NPAs) of public sector banks and to suggest measures for reduction of NPAs. The losses if any of public sector banks are indicated when the accounts are finalised.

(b) A statement showing bank-wise gross NPAs and net NPAs of public sector banks as on 31st March, 1998 is given in statement. (*See* below).

(c) Banks have formulated documents of loan recovery policy prescribing, inter-alia, the manner of recovery of dues and the norms for sacrifices/waiver. Banks have also initiated measures for reduction of NPAs through compromises write off, through negotiated settlement to ensure maximum recovery at minimum expenses on basis of a transparent and well laid out policy. Some banks have set up independent Settlement Advisory Committees to scrutinise and recommend compromise proposals. Banks have also set up Recovery Cells at their Head Quarters to monitor recovery performance. Debt Recovery Tribunals (DRTs) have also been set up in 9 places to assist speedy recovery of banks dues. The improvement of credit appraisal skills has also received attention. As a result of these and other measures, the percentage of Gross NPAs of public sector banks came down from 18.01% during 1995-96 to 16.02% as on 31st March, 1998 and the net NPAs from 8.90% as on 31.3.96 to 8.13% as on 31st March, 1998.

Statement

Gross and Net-Performing Assets of Public Sector Banks in terms of value and percentage of gross/net advances as on 31.3.98

(Amount Rs. in crores)

	Name of the Bank	Gross NPAs		Net NPA	
		Amount	%age of gross advs	Amount	%of Net advs.
1.	State Bank of India	11465.36	14.14	4497.77	8.07
2.	SB of Bikaner & Jaipur	463.04	11.73	267.51	7.13
3.	State Bank of Hyderabad	964.67	18.96	503.48	10.88
4.	State Bank of Indore	299.83	15.05	208.48	10.96
5.	State Bank of Mysore	538.83	17.47	306.67	10.75
6.	State Bank of Patiala	514.75	11.88	288.90	7.04
7.	State Bank of Saurashtra	364.78	14.83	157.14	6.98
8.	State Bank of Travancore	911.00	20.06	504.73	12.21
	Total for State Bank Group	**15522.26**	**14.57**	**6734.68**	**6.89**
9.	Allahabad Bank	1458.93	23.18	859.86	15.09
10.	Andhra Bank	341.30	9.86	93.76	2.92

	Name of the Bank	Gross NPAs		Net NPA	
		Amount	%age of gross advs	Amount	%of Net advs.
11.	Bank of Baroda	3129.28	14.63	1290.35	6.60
12.	Bank of India	2669.00	11.55	1570.00	7.13
13.	Bank of Maharashtra	709.09	17.39	316.57	8.59
14.	Canara Bank	3580.81	18.69	1255.29	7.52
15.	Central Bank of India	2414.53	20.47	1384.74	12.21
16.	Corporation Bank	341.86	7.60	125.46	2.93
17.	Dena Bank	774.79	13.73	439.43	8.28
18.	Indian Bank	3428.39	38.96	1886.67	26.01
19.	Indian Overseas Bank	1255.00	13.38	543.00	6.26
20.	Oriental Bank of Commerce	397.23	6.16	287.15	4.84
21.	Punjab & Sind Bank	1038.90	26.79	345.08	10.84
22.	Punjab National Bank	2447.00	14.50	1526.00	9.60
23.	Syndicate Bank	1185.29	15.31	401.94	5.78
24.	UCO Bank	1780.30	24.04	705.12	11.14
25.	Union Bank of India	1194.73	11.18	787.89	7.66
26.	United Bank of India	1451.00	33.50	415.00	12.10
27.	Vijaya Bank	532.95	15.21	276.16	7.50
	Total for Nationalised Banks	**30130.38**	**16.88**	**14440.50**	**8.87**
	Total for PSBs	**45652.64**	**16.02**	**21178.19**	**8.13**

Shortage of currency notes of smaller denominations

975. PROF. VIJAY KUMAR MALHOTRA:
SHRI O. RAJAGOPAL:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the acute shortage of currency notes of smaller denominations; and

(b) if so, what steps Government have taken in the matter?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The smaller denomination notes of Re. 1, Rs. 2 and Rs. 5 have been coinised and the capacity so released has been diverted for production of higher denomination notes. Therefore, printing of these notes has been stopped (Re. 1 from September, 1994; Rs. 2 from january, 1995 and Rs. 5 from November, 1995).

With a view to improving supply of currency notes/coins, Government has taken various steps like (i) modernisation of the existing two note printing presses at Nasik and Dewas; (ii) setting up of two more note printing presses under the direct control of Reserve bank of India (i.e., one at Mysore in Karnataka and the other at Salboni in West Bengal); (iii) Modernisation of India Government Mints at Calcutta, Hyderabad and Mumbai; (iv) complete coinisation of Re. 1, Rs. 2, and Rs. 5 and diverstion of the capacity for printing of higher denomination notes; and (v) import of printed notes to the extent of 3600 million pieces (of a total face value of Rs. 1,00,000